

County Council of Cuyahoga County, Ohio

Resolution No. R2018-0224

Sponsored by: Council President Brady on behalf of The MetroHealth System	A Resolution approving The MetroHealth System Year 2019 Budget, in accordance with Ohio Revised Code Section 339.06(D), with the understanding that the allocation of County funds to the System has been made through adoption of the 2018/2019 Biennial Operating Budget and Capital Improvements Program for 2019; and declaring the necessity that this Resolution become immediately effective.
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WHEREAS, on October 24, 2018, The MetroHealth System Board of Trustees adopted Resolution 19239 approving a proposed budget for the 2019 fiscal year and authorizing submission of same to Cuyahoga County.

WHEREAS, The MetroHealth System submitted for approval The MetroHealth System Year 2019 Budget, in accordance with Ohio Revised Code Section 339.06(D), with the understanding that the allocation of County funds to the System has been made through adoption of the 2018/2019 Biennial Operating Budget and Capital Improvements Program for 2019; and

WHEREAS, that if the amount appropriated to the county hospital in the annual appropriation measure for the County for the ensuing fiscal year differs from the amount shown in the approved budget, the County may require the board of county hospital trustees to revise the hospital budget accordingly. The board of trustees shall not expend such funds until its budget for that calendar year is submitted and approved by the County; and

WHEREAS, it is further necessary that this Resolution become immediately effective in order that critical services provided by the Cuyahoga County can continue and to provide for the usual, daily operation of a County entity.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:

SECTION 1. That the Cuyahoga County Council hereby approves The MetroHealth System Year 2019 Budget, in accordance with Ohio Revised Code Section 339.06(D), with the understanding that the allocation of County funds to the System has been made through adoption of the 2018/2019 Biennial Operating Budget and Capital Improvements Program for 2019.

SECTION 2. That the Clerk of Council be, and she is, hereby instructed to transmit a copy of this Resolution to the Director of the Office of Budget and Management; Akram Boutros, MD, FACHE, President and CEO, The MetroHealth System; and Craig Richmond, Senior Vice President and Chief Financial Officer, The MetroHealth System.

SECTION 3. It is necessary that this Resolution become immediately effective for the usual daily operation of the County and the reasons set forth in the preamble. Provided that this Resolution receives the affirmative vote of at least eight members of Council, it shall take effect and be in force immediately upon the earliest occurrence of any of the following: (1) its approval by the County Executive through signature, (2) the expiration of the time during which it may be disapproved by the County Executive under Section 3.10(6) of the Cuyahoga County Charter, or (3) its passage by at least eight members of Council after disapproval pursuant to Section 3.10(7) of the Cuyahoga County Charter. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

SECTION 4. It is found and determined that all formal actions of this Council relating to the adoption of this Resolution were adopted in an open meeting of the Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

On a motion by Mr. Miller, seconded by Ms. Brown, the foregoing Resolution was duly adopted.

Yeas: Gallagher, Schron, Conwell, Jones, Brown, Stephens, Simon, Baker, Miller, Tuma and Brady

Nays: None

David P. Brown 11/28/18
County Council President Date

A. R. B. C. 11-28-18
County Executive Date


Clerk of Council 11/27/2018
Date

First Reading: November 13, 2018

Journal CC032
November 27, 2018

Approval of a Proposed Budget for the 2019 Fiscal Year and Authorize the Submission
of the Same to the Government of Cuyahoga County, Ohio ("County")

RESOLUTION 19239

WHEREAS, the Board of Trustees of The MetroHealth System has been presented a recommendation for a proposed budget for the 2019 fiscal year and authorize the submission of the same to the government of Cuyahoga County, Ohio ("County"); and

WHEREAS, the Board's Finance Committee has reviewed this recommendation and now recommends its approval.

NOW, THEREFORE, BE IT RESOLVED, the Board of Trustees of The MetroHealth System hereby approve a proposed budget for the 2019 fiscal year and authorize the submission of the same to the government of Cuyahoga County, Ohio ("County").

The information to be submitted to the County is shown in Exhibits A and B.

BE IT FURTHER RESOLVED, the Chief Executive Officer and President, or his designee, are hereby authorized to take necessary actions consistent with this resolution.

AYES: Ms. Anderson, Ms. Dee (via telephone), Mr. Hurwitz, Mr. McDonald,
Mr. Monnolly, Mr. Moss, Dr. Silvers, Ms. Whiting

NAYS: None

ABSENT: None

ABSTAINED: None

DATE: October 24, 2018

2019 Operating Budget

(in \$000s)

Exhibit A

	2017 Actual	2018 TTM ²	2019 Target	High
Net Patient Revenue	\$ 963,775	\$ 991,197	\$ 1,014,068	\$ 1,027,068
Other Revenue	131,621	141,888	142,534	142,534
County Funding	32,400	32,400	32,400	32,400
Total Revenue	1,127,795	1,165,485	1,189,002	1,202,002
Salaries and Benefits	714,188	730,928	756,746	756,746
Department Expenses	308,527	322,819	314,024	314,024
General Expenses	63,548	67,526	70,671	70,671
Total Expenses	1,086,264	1,121,273	1,141,441	1,141,441
Adjusted Operating Income (Loss)¹	\$ 41,532	\$ 44,212	\$ 47,560	\$ 60,560

(1) The presentation of adjusted operating income (excludes non-recurring items, GASB 68 Pension and GASB 75 OPEB) as we measure it for management purposes enhances the understanding of our results of operations by highlighting the results from ongoing operations and the underlying profitability factors of our business.

(2) TTM = Trailing Twelve Months (Aug '17 - Jul '18) and adjusted for non-recurring items

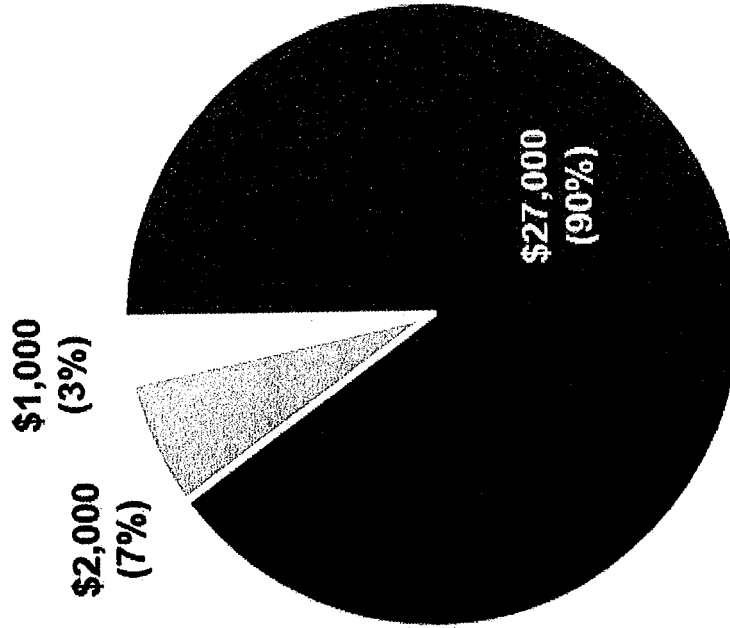




2019 "Core" Capital Budget

(in \$000s)

Exhibit B



■ Routine/Required/Strategic	\$ 27,000
■ Contingency	2,000
■ Minor	<u>1,000</u>
Total	\$ 30,000

Note: 2019 "Core" Capital is funded from operating cash flow for the ongoing operations of MetroHealth. The Campus Transformation project is funded from the Series 2017 Bond Issuance.

